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# Drug Trafficking: The Role of Insurgents, Terrorists, and Sovereign States

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An Intelligence Assessment

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GI 83-10265
November 1983
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An Intelligence Assessment

This paper was prepared by International Security Issues Division, Office of Global Issues. It was coordinated with the Directorate of Operations. Comments and queries are welcome and may be directed to the Chief, Strategic Narcotics Branch, OGI.

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# Drug Trafficking: The Role of Insurgents, Terrorists, and Sovereign States

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## Key Judgments

*Information available as of 10 November 1983 was used in this report.*

A number of insurgent groups, a few terrorists, and several sovereign states are increasingly active in the international illicit drug market.

**Insurgent groups** take advantage of their control of traditional narcotics growing areas to grow, process, and traffic in illicit drugs. The activities of several of the major groups in Southeast Asia—the Shan United Army and the Shan United Revolutionary Army, for example—are so dominated by the narcotics business that these groups are more like criminal organizations than insurgencies bent on toppling the local government. Other insurgent groups—the Burmese Communist Party and the Revolutionary Armed Forces of Colombia, for example—see the narcotics business as a lucrative, relatively low-risk way to finance their insurgent efforts.

**A few terrorist groups,** such as the Basque Fatherland and Freedom (ETA) and the Palestinian terrorist group, the 15th of May Organization, have used known drug traffickers as low-level operatives and couriers. Urban terrorist groups, however, do not appear to be involved systematically in illicit drug trafficking.

**Cuba, Bulgaria, and North Korea** form a unique set of countries that as a matter of government policy engage in or condone trafficking in narcotics outside their national boundaries.

A few other states—notably **Bolivia** during the Garcia Meza regime and **Burma** under the present government—are so beset by the corruption of key officials as to either preclude or frustrate international efforts to control narcotics production and trafficking in those countries. In these instances the level of corruption exceeds that commonly found in drug-producing or transit countries.

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The activity of these traffickers complicates drug control efforts in several ways. Few source country governments are prepared or willing to clash with insurgent growers and traffickers or with terrorist groups only to stop narcotics activities. In the case of Cuba, North Korea, and—perhaps to a lesser extent—Bulgaria, complicity on the part of the senior leadership precludes the effective involvement of these countries in international antinarcotics efforts. In states where corruption is excessive, proposals to intensify drug control efforts may be met with apparent cooperation but undercut by corrupt officials. We believe the activities of these traffickers will not lead to a significant increase in the availability of drugs in the United States nor will they threaten the hold that major criminal organizations have on the international drug market.

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The cultivation and initial processing of illicit drug crops is dominated by ethnic and tribal groups in remote areas in Southeast and Southwest Asia—in the case of opium—and by numerous independent farmers in Latin America—in the case of coca and marijuana. Trafficking in illicit drugs at the wholesale and retail level—which involves processing, smuggling, and distribution—continues to be largely controlled by criminal organizations with international connections. Some insurgent groups, a few terrorist organizations, and a number of sovereign states also play a role in drug trafficking. This paper reviews the activity of these "nontraditional" traffickers and assesses the impact they have on the international drug market, antinarcotics policies, and interdiction efforts.

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## Insurgents and Terrorists

### Insurgent Activity

Two principal factors have contributed to the long tradition of rural insurgent involvement in the drug business. First, insurgent groups are most active in the rural areas that growers of marijuana, coca, or opium favor. Such areas, as in Colombia, Burma, and Pakistan, are usually remote with rough terrain that limits the presence of central governments and hinders efforts to eradicate illicit crops or control drug trafficking. Second, many insurgent leaders recognize that drug trafficking is a lucrative, practical, and generally nontraceable method of obtaining funds to further revolutionary aims.

The involvement of insurgent groups in narcotics trafficking varies. Some, particularly those in Southeast Asia, are so heavily engaged in narcotics production and trafficking that they have become criminal organizations rather than true insurgencies, although most insurgents that are heavily engaged in narcotics trafficking appear to do so primarily to support their insurgent activities. Finally, some insurgent groups are only indirectly involved in drug trafficking—extorting protection money from growers and traffickers or using drug smuggling networks to obtain arms and other supplies.

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***Insurgent/Criminal Enterprise.*** There are several Southeast Asian insurgent groups engaged in the drug trade almost to the exclusion of their professed insurgent goals. These groups differ in size and ideology—some are remnants of the disbanded Burmese Home Guard Militia Units and others can trace their antecedents to elements of the 93rd Division of the Kuomintang Army—but most are warlord armies whose drug trafficking complements their illegal commercial activities.

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**The Shan United Army (SUA)** is one of the most important smuggling and trafficking organizations in the Golden Triangle (Laos, Burma, and Thailand). Its 3,000 to 4,000 armed members, according to Embassy assessments, became heavily involved in drug trafficking in the mid-1970s when the SUA leadership decided to take advantage of Burmese antinarcotics measures against competing trafficking organizations. Although generally not involved in the cultivation of opium, as middlemen the SUA until recently controlled an estimated 70 percent of the opium refining and trafficking in the Thailand-Burma border area. We estimate that some 80 percent of its funds come from drug trafficking. According to Embassy reports, the SUA has connections with Chinese crime syndicates in Hong Kong, Europe, and the United States. Thai Government military operations since early 1982 have disrupted SUA operations.[1] Nevertheless, we believe that the SUA will continue to play a major role in Golden Triangle drug trafficking.

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**The Chinese Irregular Forces (CIF)** have the longest history of drug involvement in the Golden Triangle, having begun drug trafficking in the early 1950s. According to US Embassy reporting, the 1,500-to-2,500-member CIF is today primarily involved in the production and trafficking of refined heroin for Thai, Burmese, and international markets. The CIF officially denies any involvement in narcotics trafficking, presumably to assure that its sanctuary inside Thailand continues. According to Embassy assessments, the CIF, like the SUA, may have connections to Chinese crime syndicates in Hong Kong, but direct links between the CIF and organized criminal groups in Europe and the United States have not been discovered.

**The Shan United Revolutionary Army (SURA),** established in 1969, is a smuggling and trafficking group of approximately 800 to 1,000 armed members active in Burma's southern Shan State. It was formed from remnants of the Home Guard Militia and a splinter group of the Shan State Army (SSA) and is closely allied with the 3rd Chinese Irregular Forces. According to Embassy reports, the SURA publicly claims to seek autonomy for the Shan State; however, its energies are devoted almost exclusively to narcotics trafficking and smuggling. It extorts money and opium from local farmers, levies taxes on opium production, corrupts local officials, and operates several opium refineries on the Thailand-Burma border.

***Part Insurgent, Part Trafficker.*** Other insurgent organizations directly involved in the drug trade have maintained more of their insurgent character and generally devote only a part of their resources to drug-related activity. Unlike the SUA and CIF, these groups pose a more serious military and political threat to their governments.

**The Revolutionary Armed Forces of Colombia (FARC)** is the largest and most formidable insurgent group in Colombia. It entered the drug business around 1977, exacting fees from traffickers for use of FARC-controlled territory. It soon thereafter began to tax coca production in its strongholds and, according to the US Embassy, has even established production quotas and wage guidelines for workers and growers. Indeed, a number of Embassy reports indicate that one of the FARC's fronts in southeast Colombia was organized expressly for the control of coca production with the aim of using the profits from the trade to support its other fronts. Embassy reports also indicate that FARC units in the Gulf of Uraba region are involved in a brisk guns-for-drugs trade with organized smuggling networks. 25X1

**The Burmese Communist Party (BCP)** is the insurgent group that most concerns Rangoon. Before 1978 drug trafficking by BCP elements was minor and involved individuals who trafficked without the explicit approval of the party leadership. In 1978, however, we believe the BCP began compensating for a sharp reduction in Chinese assistance by resorting to party-sponsored and centrally directed opium cultivation and trafficking. Today the BCP controls large areas of Burma's opium-growing regions and is the principal purchaser of raw opium from farmers. According to Embassy assessments, the BCP refines a small percentage of its opium into heroin at refineries inside Burma and transports most of its opium and opium products to the Thai border where it is refined into heroin by other narcotics trafficking organizations. 25X1 25X1

**The Shan State Army (SSA)** is an ethnic insurgent group established in Burma's Shan State in 1960. Its 2,000 to 4,000 armed members are active throughout the area, encouraging opium poppy cultivation and taxing production, local dealers, and passing caravans. The profits are used to corrupt local officials and purchase weapons and supplies. 25X1 25X1

**The Kachin Independence Army (KIA),** also founded in 1960, is an ethnic insurgent group of over 4,500 armed members that operates throughout the Kachin and northern Shan States in Burma. The KIA taxes opium production, local traffickers, and caravans and acts as a broker between growers and other trafficking organizations. 25X1 25X1

***Occasional Traffickers.*** Other insurgent groups have only occasional contact with drug traffickers. Their drug-related activities range from extortion of producers and processors to limited participation in domestic distribution.

**The National Liberation Army (ELN)** is a small Castroite Marxist-Leninist organization established in 1963 that operates throughout Colombia. According to unconfirmed Embassy reporting, ELN members have been involved in extorting money from coca growers and in cultivating marijuana.

**The Popular Liberation Army (EPL)** was founded in 1967 and is associated with the pro-Beijing Colombian Communist Party/Marxist-Leninist (PCC/ML). The EPL is active in Colombia's Cordoba Department and in the Gulf of Uraba region. Colombian authorities have told US officials that they suspect that the EPL gets some of its weapons from drug traffickers operating in the Gulf of Uraba region and that some EPL members may be engaged in marijuana cultivation and trafficking.

**The Sendero Luminoso (SL)** is a Maoist insurgent/terrorist group based primarily in the Ayacucho region of Peru that has extorted money from traffickers operating in its territory, according to Embassy reporting. Members of the local press and Peruvian officials have attempted to link the SL to systematic drug trafficking, but we have no corroborative reporting to substantiate such charges.

**Various ethnic tribal groups in Southwest Asia** such as Pakistani and Afghan tribesmen and Kurds have long been involved in smuggling operations, some of which involve narcotics. The Kurds, in particular, have an experienced cadre of narcotics traffickers, couriers, and processors who operate relatively freely throughout western Iran and eastern Turkey. There are conflicting reports regarding the involvement of the Afghan insurgents.

insurgents were at one time earning more than $300,000 a month from the sale of drugs and gems. Most evidence suggests that the insurgent organizations are not directly involved in the opium traffic, although they are financed in part by taxes and contributions from growers and smugglers.

**Philippine insurgent groups** apparently are involved in the drug trade. During a recent discussion with US officials, the head of the Philippine narcotics command noted that insurgent groups, including the New People's Army (NPA), were cultivating and selling marijuana locally to help finance their operations. 25X1

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**Terrorist Involvement**

Terrorist groups are much less involved in drug trafficking than insurgent groups are, although there is some reporting from the Embassy and the press of terrorists who use drug trafficking to support their activities. The most credible example of leadership-directed terrorist involvement in drug trafficking involves the Colombian 19th of April Movement (M-19), which in October 1981 successfully used the drug smuggling apparatus of Jaime Guillot Lara to bring a large shipment of weapons into Colombia. According to Embassy reporting, other instances of M-19 drug-related activity involve extortion of money from traffickers and growers as well as the kidnaping of wealthy traffickers and members of their families. The urban orientation of the M-19 before 1981 and possible conflict with FARC units and with established Colombian trafficking syndicates probably have limited further M-19 involvement in drug trafficking.

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Other examples of terrorists involved in drug-related activity include:

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- According to Embassy assessments, the ETA has employed known drug smugglers as low-level operatives and couriers, and some individual members occasionally use and traffic in drugs.

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- The little-known and probably defunct Basque Resistance Army (ERE) allegedly financed itself largely through the sale of drugs, this group was dismantled in 1981, but some of its members may now belong to other Basque terrorist groups.

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***Why Insurgents Traffic in Drugs and Terrorists Do Not***

*Narcotics trafficking provides a potentially lucrative and relatively risk free nontraceable source of funds. Although some insurgent groups have been attracted by these factors, urban terrorists have generally avoided organized drug trafficking on a large scale. We believe that this apparent paradox is explained by several factors.*

***Lack of Opportunity.*** *The involvement of insurgent groups is generally limited to the areas that they physically control or dominate; urban terrorists do not control territory. Furthermore, the involvement of insurgent groups is generally associated with cultivation, refining, or transport—not with the distribution at the street level, which is predominately an urban affair.*

***Availability of Alternatives.*** *Urban terrorist groups have a wider variety of ways to make money than have insurgent groups. Traditionally, urban terrorists finance their operations through bank robberies, kidnapings, or extortion ("revolutionary taxes"), or they depend on some external source such as a patron state or rich supporter. Insurgent groups operating in remote areas rarely have such a choice.*

***Operational Difficulties.*** *Many urban terrorists are so well known to the authorities or to the population at large that they must live outside their own countries, which prevents them from establishing, much less maintaining, drug distribution networks. Other terrorists depend for their viability in their own countries on maintaining a circumspect lifestyle that does not arouse police suspicion. Associating with elements of the drug trade is not compatible with such a lifestyle.*

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***Ideological Considerations.*** *Many terrorist leaders realize that involvement in drug trafficking promotes a public perception of the revolutionary as a common criminal and drug pusher. Moreover, long-term terrorist association with criminal elements and direct involvement in drug trafficking could lead to a gradual weakening of the terrorist structure and a slide into the criminal realm. Limited evidence suggests this has already happened to some insurgent groups actively involved in drug trafficking. For example, according to DEA reports, in 1980-81 the numerical strength of a National Liberation Army (ELN) unit operating in Colombia's Motilones mountains may have dropped from 150 to less than 50 because some individuals found marijuana trafficking and cultivation a more profitable pursuit.*

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- Rightist groups in Italy (Armed Revolutionary Nuclei—NAR) and Turkey (Turkish Nationalist Action Party—NAP) have been linked to trafficking by local press accounts, although details are sparse.

- The Palestinian terrorist group, the 15th of May Organization, like the ETA, has been known to use drug smugglers as low-level operatives and couriers.

**State Involvement**

States get involved in drug trafficking in two ways. Cuba, Bulgaria, and North Korea are unique cases of states that as a matter of policy appear willing to support, or at least condone, international narcotics trafficking. They carefully isolate their own societies and engage in drug trafficking in other countries as a means of earning hard currency. In another set of

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**Insurgent and Terrorist Involvement at a Glance**

| Group | Uses Traffickers as Couriers and Low-Level Operatives | Extorts Money and Arms From Traffickers | Protects Trafficking in Return for a Fee, Service, or Arms | Cultivation of Drugs | Domestic Trafficking | International Trafficking |
|---|---|---|---|---|---|---|
| Basque Fatherland and Liberty Movement (ETA) | X | | | ? | | |
| Burmese Communist Party (BCP) | | X | X | X | X | ? |
| Chinese Irregular Forces (CIF) | | X | X | | X | X |
| 15th of May Organization (Palestinian) | X | | | | | |
| Kachin Independence Army (KIA) | | X | X | | X | X |
| National Liberation Army (ELN) | | X | X | ? | | |
| 19th of April Movement (M-19) | | X | | ? | | |
| Popular Liberation Army (EPL) | | X | | | | |
| Provisional Irish Republican Army (PIRA) | | X | | | | |
| Revolutionary Armed Forces of Colombia (FARC) | | X | X | X | X | X |
| Shan State Army (SSA) | | X | X | | X | |
| Shan United Army (SUA) | | X | X | | X | |
| Shan United Revolutionary Army (SURA) | | X | X | | X | |
| Shining Path (SL) | | X | ? | | | |
| Various tribal groups in southwest Asia | | | | X | X | X |

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states, corruption is so pervasive—even by the standards of most drug-producing countries—that undermining antinarcotics efforts is the government's de facto policy. The current government of Burma and the past regime in Bolivia are prime examples of drug-related corruption at high levels that effectively hinders drug control efforts through deliberate inaction or the execution of highly publicized, yet token, programs.

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**Cuba**

Cuban complicity in drug trafficking is well documented in at least three cases. Additional information suggests that Cuba may have facilitated drug trafficking for some time and that such activity continues as a matter of policy.

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The extent of Cuban involvement in drug trafficking was first documented by the testimony of Colombian drug traffickers Jaime Guillot Lara and Juan Lazaro Crump and subsequently confirmed by Mario Esteves Gonzalez:

- Beginning in 1980, Jaime Guillot Lara, a Colombian and self-described career smuggler, used Cuban waters as a safehaven for his ships, which were laden with Colombian marijuana destined for the United States. In return, Guillot Lara paid the Cubans $500,000 to $800,000 per trip and used his vessels and smuggling networks to ship arms to the M-19 guerrillas in Colombia.

- Juan Lazaro ("Johnny") Crump, a Colombian arms dealer and narcotics trafficker who introduced Guillot Lara to Cuban officials, negotiated permission to refuel aircraft used in smuggling in Cuba.

- Mario Esteves Gonzalez, a Cuban arrested for marijuana trafficking in Florida in November 1981, claimed, in public testimony that has partially been corroborated by the US Drug Enforcement Administration (DEA), that he was trained by the Cuban intelligence service and infiltrated via the 1980 Mariel boatlift into Florida where his mission included the distribution of illegal narcotics.

There are a number of reports, not all of which have been corroborated, that lend credibility to the statements of Guillot Lara, Crump, and Esteves, including:

- Cuban officials, including Fidel Castro, had considered a scheme in 1979 to deal with narcotics smugglers in order to obtain hard currency for Cuba and contribute to the deterioration of US society.

- Information gained in April 1983 from several DEA informants indicated Cuba was commonly used by smugglers as a refueling port and that Cuban port authorities charge a docking fee of $10,000 per smuggling vessel and $5 per gallon for fuel.

- Cuban officials leased a Panamanian-registered boat—the Don Miguel I—for a minimum of one year to transport drugs from Colombia to Cayo Largo del Sur, a small island about 40 kilometers off Cuba's south coast.

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- in return for hard currency, Havana offers safe passage to traffickers and allows ships to refuel and obtain supplies at various points off the north coast. All funds derived reportedly are deposited in the National Treasury.

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In spite of official denials that Cuba is involved in drug trafficking, we believe the accumulated information reflects an extensive pattern of Cuban dealings with drug traffickers.

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because of the monolithic nature of the Cuban power structure, we believe that these dealings are not private arrangements carried out without the knowledge or blessing of the Cuban Government. In fact, the establishment and expansion of the Castro regime's links to drug trafficking reflect a trend, in effect since the late 1970s, toward closer cooperation between Havana and various elements of the international underworld to further Cuban policy aims.

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**Bulgaria**

Smuggling of all types of contraband is a traditional profession in the Balkans. Embassy and DEA reports indicate that, since at least the mid-1960s, Bulgaria has served as a major base of operations for Arab and Turkish drug traffickers, operating with the knowledge and apparent support of some high-level Bulgarian Government officials. Some of these established

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traffickers reside in and operate from Sofia—the Vitosha hotel is well known to Interpol and DEA officials as a headquarters for foreign traffickers—while others transit Bulgaria, usually conducting their business transactions through Sofia-based intermediaries. In addition to receiving sanctuary for their operations, traffickers can purchase contraband—including cigarettes, whiskey, arms, and drugs—from Bulgarian Government agencies. Implicit in the arrangement is that all contraband must be sold outside of Bulgaria.

Bulgaria has used several government foreign trade organizations as mechanisms to manage various smuggling activities. As indicated by DEA reports and Embassy assessments, the multipurpose state enterprise "Kintex" is most frequently named as the coordinator for all smuggling activities. Kintex began supporting drug smugglers transiting Bulgaria in about 1971. It levied transit fees and fines on smugglers who were not associated with it and resold drugs confiscated by Bulgarian customs to those who were. It provided traffickers with garages specially equipped with machinery for building "traps" in vehicles to conceal smuggled goods. Contraband was stored in government-owned warehouses until the trafficker was ready to transport his goods. If necessary, Kintex also provided false visa documentation and customs seals to exempt trucks from customs checks in transit countries.

Embassy reporting strongly indicates that Kintex's role in the smuggling of arms, whiskey, and cigarettes is sanctioned by the Bulgarian Government. The significant quantity of indirect evidence, the elaborate structure of Kintex, and the high-level support of Kintex's other commercial endeavors by officials in the Bulgarian Government lead us to believe that some of the ruling elite condone Kintex's drug operations.

In July 1982, the US Embassy in Sofia made the first in a series of demarches concerning Bulgaria's tolerance of drug smuggling. Since that time a number of drug smugglers operating out of Sofia have curbed their more visible activities. We suspect that the effort is a cosmetic one, made in response to US pressure, and doubt that Bulgaria intends to crack down on smuggling operations in Sofia.

**North Korea**

North Korean involvement in drug trafficking came to light initially in 1976 when several Scandinavian countries caught and expelled a number of North Korean diplomats for smuggling contraband, including drugs. At the time, press and Embassy reports indicated that North Korea was facing severe economic difficulties and apparently had instructed its embassies to reduce expenses and make do as best they could. Several North Korean diplomats—perhaps with P'yongyang's blessing—apparently interpreted this as carte blanche to devise and experiment with unorthodox and innovative financing schemes. The diplomats decided to enter the import-export business by providing selected clientele with a variety of goods not readily available in local markets. Liquor, cigarettes, and watches—as well as drugs—were among the more popular items because they could be brought in by diplomatic pouch, thereby evading the typically high duties imposed on legal imports. The profits from these transactions apparently were used to defray Embassy and trade mission operating expenses and to finance intelligence and propaganda activities abroad. We do not know how long North Korea had been trafficking in contraband, although similar activities by the North Koreans have occurred, according to press and Embassy reports, in Burma, Nepal, Malaysia, Switzerland, Egypt, Argentina, and India.

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*Luis Garcia Meza Tejada*

*Luis Arce Gomez*

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More recently, according to foreign press reports, Indian officials arrested a North Korean diplomat in October 1983 and demanded the recall of another for illegal drug transactions.

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We believe that such incidents suggest at least tacit approval by P'yongyang of drug trafficking by its diplomatic posts to help finance overseas operations. If North Korea's attempts to establish diplomatic relations with several major drug-producing countries—Bolivia and Iran—prove successful, it would gain ready access to the raw material for heroin and cocaine production and be able to expand its trafficking activities.

**Bolivia**

The notorious 13-month regime of Bolivia's General Garcia Meza (from July 1980 to August 1981) demonstrates the effect of widespread state-abetted corruption on domestic drug control efforts.[2] One week after his takeover—according to Embassy reports—drug merchants in Santa Cruz reportedly offered Garcia Meza $100 million in exchange for noninterference in the cocaine industry. During Garcia Meza's tenure, local officials often supplemented their income with bribes. One common device, according to Embassy reports, involved the sale of coca-marketing licenses, a procedure initiated by the government in 1978 to reduce the number of persons involved in coca marketing and bring coca sales under tight control. However, by 1980, it had become merely a means of enriching civilian politicians, who received payoffs in return for recommending issuance of the permits—in some cases to known traffickers. Other officials became more directly involved. Some delivered bribes for major traffickers. Others sold protection to facilitate moving coca leaves from growing to processing areas. Judges took bribes to free indicted drug merchants, as did lower court officials, public prosecutors, and prison officers. According to Embassy reports, the military also was involved; Army troops ran cocaine laboratories and Navy personnel transported coca along Bolivia's rivers, while Air Force transports reportedly flew coca to processing plants in the Beni Department.

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The symbol of corruption was Col. Luis Arce Gomez. He was appointed Minister of Interior despite long-time involvement with drug traffickers and a record of hindering narcotics investigations. While in office, Arce not only ran his own cocaine network but also

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forced other traffickers to hand over a share of their profits. According to reliable information provided to US officials in La Paz, he deposited $2 million in cash at a local bank during the course of one day.

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The Garcia Meza government in effect did nothing to control the illicit drug trafficking. It proposed unrealistic coca control programs; mounted blatantly token enforcement operations; and, when pressed, offered lame excuses for government inaction, effectively thwarting attempts at drug control through subterfuge, redtape, countless commissions, and well-timed personnel changes.

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Garcia Meza's ouster in August 1981 did not mitigate the noxious effects of his rule. Corruption is still the biggest stumblingblock to effective narcotics control in Bolivia.

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Bolivia's current President, Siles Suazo, has demonstrated concern about the deleterious effects of the cocaine industry on both the society and the economy and in August 1983 signed a multiyear agreement with the United States setting up an $8 million narcotics control project. Nevertheless, because Siles must make enormous efforts to maintain his leadership position amid the multitude of problems besetting Bolivia, we do not expect that significant progress will be made on this issue.

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**Burma**

Corruption among government, police, and military personnel on the lower and middle levels is part of a well-entrenched system in Burma that includes official corruption in such things as narcotics or illicit money transfers and extends to routine business activities such as bypassing customs duties, avoiding customs restrictions, rigging government contracts, and cashing in on the flow of consumer goods. Over the past eight months, however, Embassy reporting has for the first time implicated numerous high-level Burmese Government officials in corruption and the facilitation of large-scale international narcotics trafficking.

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*Ne Win* Working People's Daily ©

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Corruption appears to be greatest within the Ministry of Home and Religious Affairs, which is responsible for the government's narcotics suppression programs. According to Embassy reports, the Military Intelligence Service and the Department of Defense Intelligence Service are suspected by Burmese officials of arranging transfers of money, selling drugs seized in government antinarcotics campaigns, and issuing passports to trafficking/financiers and couriers. As with other Burmese institutions, control and efficiency within this Ministry and the intelligence services' bureaucracy are weak. Thus, officials in these areas are in a position to arrange illegal transactions with ease.

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Prime Minister Ne Win's heir apparent, Brig. Gen. Tin Oo, was removed from his official position for corruption and for his blatant attempt to expand his political power base. Until May 1983, Tin Oo was the joint General Secretary of the Burma Socialist Program Party (BSPP)—the number-three position in the party—as well as the third-ranking member of the

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*Tin Oo* [redacted] Working People's Daily ©

General Executive Committee; he was popularly regarded as the second most powerful man in Burma. Embassy reports indicate that Ne Win accused Tin Oo of nepotism, ostentatious displays of wealth and power, and protection of the corrupt activities of former Home and Religious Minister Bo Ni. In fact, Ne Win directed an investigation that appears to link Tin Oo with Bo Ni's illegal smuggling and narcotics-trafficking activity. [redacted]

[redacted]

Most of the people accused of corruption gained office because of their standing in the governing party or because they are personal friends of Tin Oo, the President, or the party chairman himself. The Burmese Government probably will continue to transfer or dismiss—and in some cases prosecute—these officials on a piecemeal basis rather than risk damaging the political structure by extensive shakeups. Unfortunately, [redacted] when one corrupt official is removed, another—equally corrupt—takes his place. Publicly, Ne Win professes to remain committed to the eventual elimination of narcotics abuse in Burma; however, the pervasiveness of corruption—fed by the country's poor economy—will continue to thwart government narcotics control efforts. 25X1

[redacted] 25X1

**Implications**

The activities of insurgents, terrorists, and sovereign states in the drug market will complicate efforts to control international illicit drug trafficking through bilateral and multilateral diplomatic measures. Increased drug trafficking activity by insurgents will make it more difficult for source countries to control domestic production and trafficking. The primary responsibility for drug enforcement in most countries lies with police and customs forces—forces that are for the most part ill prepared to carry out their duties in insurgent-occupied territory. In addition, in regions where aerial herbicidal spraying is not an option, manual eradication would require enough resources and manpower to withstand an insurgent attack—a commitment that for economic, political, and security reasons most source countries would be hesitant to make. In order to achieve even limited success, most drug enforcement agencies would have to be augmented and given better training and equipment, a proposition that in countries like Peru would be complicated by institutional rivalries between the police and military. Enforcement or eradication successes in Thailand, Mexico, and Turkey illustrate the importance of military support in drug control. Police are more willing to tackle local traffickers, who tend to flee when the police approach, than they are to tackle well-armed insurgents. Until source country governments are militarily strong enough to enter insurgent-controlled territory, insurgent drug fields will be out of reach for eradication efforts. [redacted]

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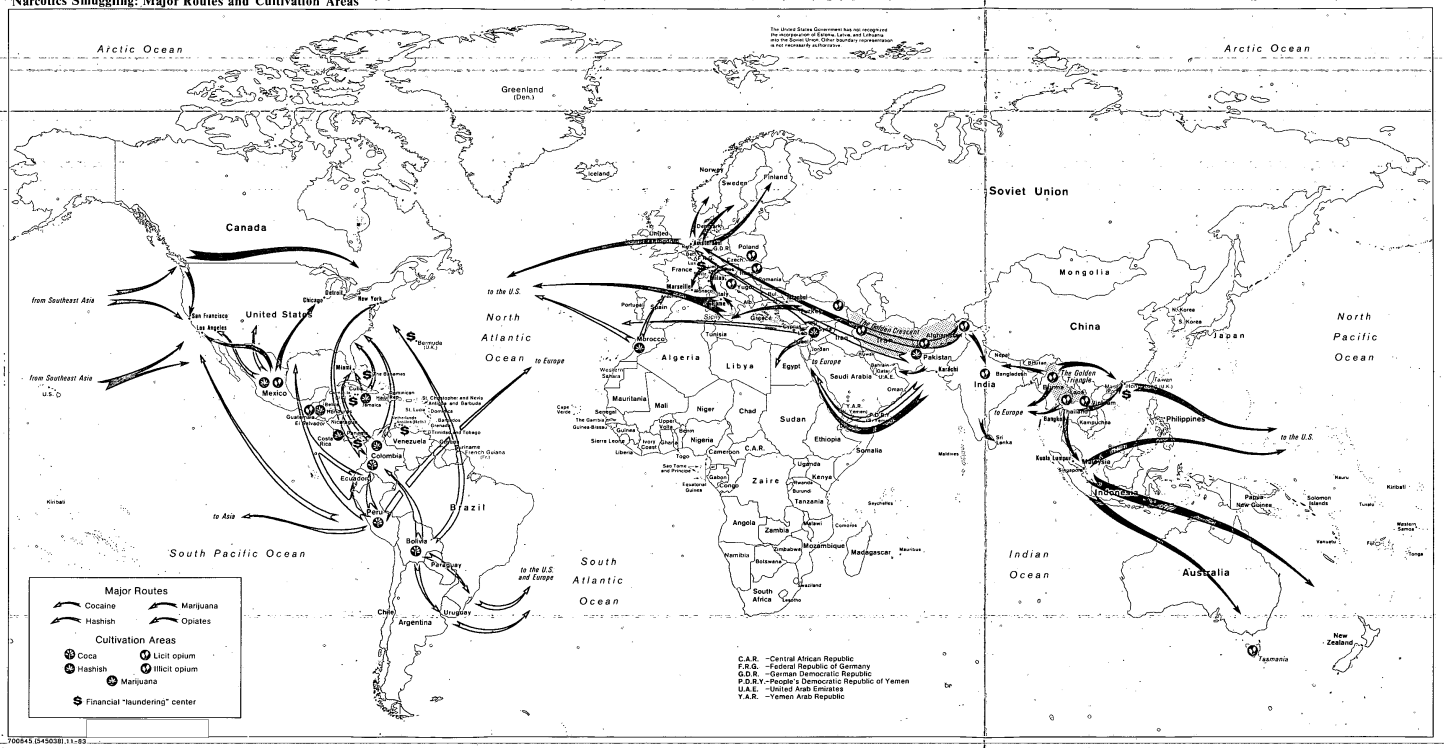
An additional obstacle to antinarcotics policies is corruption at high levels. Corruption within many drug-producing countries is endemic, and criminal as well as insurgent trafficking groups take advantage of this condition to protect their interests and expand their influence. This everyday "normal" corruption hampers, but does not preclude, drug enforcement efforts. Agreements can still be negotiated, signed, and implemented with some hope of success. However, in situations where high-level government and military officials directly responsible for their government's narcotics programs protect traffickers, obstruct programs, and replace overly zealous subordinates—as occurred during the Garcia Meza regime in Bolivia or within the present Burmese Government—prospects for effective narcotics control are slim at best. 25X1

Nevertheless, we judge that increased involvement of "nontraditional" traffickers—insurgents, terrorists, and sovereign states—in illicit drug trafficking will not be a major factor in the availability and supply of drugs to consumers in the United States. The supply of illicit drugs is determined primarily by the levels of production, and these are affected more by economic factors, weather conditions, and host government control efforts than by the number of producers. Moreover, drug production is already in excess of that needed to supply US consumers, and information obtained from DEA indicates that this trend will continue at least for the near term. These "nontraditional" traffickers also lack the organization in the drug-consuming countries to effectively challenge the domination of the major criminal syndicates in the retail distribution of drugs. 25X1

# Narcotics Smuggling: Major Routes and Cultivation Areas

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